



FISCAL UPDATE News Article

Fiscal Services Division

July 27, 2016



UNIVERSITY OF IOWA — CARVER-HAWKEYE ARENA LEASE PURCHASE

The Legislative Services Agency (LSA) received a lease purchase notification for the University of Iowa on July 19, 2016, for the purchase and installation of a new scoreboard and sound system in Carver-Hawkeye Arena. The estimated cost is \$4.9 million, including \$4.5 million in principal and \$429,000 in interest. The agreement will be for a period of five years at an interest rate of 3.60%. The annual debt service payments are estimated to total \$986,000 and will be funded from the University's athletic revenues.

Iowa Code section [8.46](#) requires state agencies proposing to enter into a lease purchase agreement of at least \$50,000 to notify the LSA at least 30 days prior to entering into a contract. The Iowa Code section also requires the LSA to submit all notifications to the Legislative Fiscal Committee.

STAFF CONTACT: Dave Reynolds (515-281-6934) dave.reynolds@legis.iowa.gov